DEPARTMENT OF SOCIAL SERVICES

Notice of Proposed Medicaid State Plan Amendment (SPA)

Changes to the Professional and Technical Reimbursement of Physician Pathology, Medicine, and Surgical Services (SPA 15-047)

The State of Connecticut Department of Social Services (DSS) proposes to submit the following Medicaid State Plan Amendment (SPA) to the Centers for Medicare & Medicaid Services (CMS) within the U.S. Department of Health and Human Services (HHS).

Changes to Medicaid State Plan

Effective on or after September 7, 2015, SPA 15-047 will amend Attachment 4.19-B of the Medicaid State Plan to revise the reimbursement of the professional and technical components for select physician pathology, medicine, and surgical services. This SPA proposes to align the reimbursement methodology for all physician services by eliminating the old legacy reimbursement where the professional and technical components were each reimbursed at 50% of the calculated global rate. The Department is implementing this change not only to establish a consistent pricing methodology for physician services, but to also establish a pricing methodology consistent with Medicare where, (1) for a given service that includes a professional and technical component, the fee that is set for the professional component added together with the fee for the technical component equals the global fee and (2) the fee set for each component takes into account the relative value units for each portion of the service. Consistent with most physician reimbursement, the revised methodology will reimburse the professional and technical components each at 57.5% of the respective 2007 Medicare rate for the component of the service.

Additionally, this proposed SPA will revise the reimbursement for the global rate for 68 codes from the same pathology, medicine and surgical categories of service. This update to the global rate in addition to the professional and technical components is necessary due to an error in the Medicare fee schedule that resulted in the rates for the professional and technical components not equaling the global rate. In order to establish a consistent pricing methodology the appropriate year of Medicare was identified where, when added together, the rates for the professional and technical components equal the global rate. The rates for all portions of the service are set at 57.5% of the Medicare rate.

Fiscal Information

Based on the information that is available at this time, it is estimated that this SPA will decrease annual aggregate expenditures by approximately \$4.5 million in Federal Fiscal Year (FFY) 2016 and \$4.6 million in FFY 2017. Because of the effective date late in FFY 2015 and due to claim lag, any impact on annual aggregate expenditures in FFY 2015 is nominal.

<u>Information on Obtaining SPA Language and Submission of Comments</u>

In accordance with federal Medicaid requirements, upon request, DSS will provide copies of the proposed SPA. Copies of the proposed SPA may also be obtained at any DSS regional office and on the DSS website: http://www.ct.gov/dss. Go to "Publications" and then "Updates".

Written, phone, and email requests should be sent to Ginny Mahoney, Department of Social Services, Medical Policy Unit, 55 Farmington Avenue, 9th Floor, Hartford, CT 06105 (Phone: 860-424-5145, Fax: 860-424-5799, Email: ginny.mahoney@ct.gov). Please reference: "SPA 15-047: Changes to the Professional and Technical Reimbursement of Physician Pathology, Medicine, and Surgical Services". Members of the public may also submit written comments concerning the proposed change. Written comments must be received at the above contact information no later than September 9, 2015.

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(5) Physician's services – fixed fee schedule not to exceed the Medicare physician fee schedule. Fees may be deleted or added and priced in order to remain compliant with HIPAA or to correct pricing errors. The current fee schedule was set as of September 7, 2015 and is effective for services provided on or after that date. The fee schedule for physicians can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download." All governmental and private providers are reimbursed according to the same fee schedule.

Person-Centered Medical Home (PCMH) practices are individual sites of independent physician groups, solo physician practices, nurse practitioner groups, and individual nurse practitioners that have met National Committee for Quality Assurance (NCQA) Level 2 or Level 3 medical home recognition. PCMH practices must comply with all NCQA PCMH requirements and all additional written department requirements, including participation in various primary care initiatives operated by the State.

The department offers a PCMH Glide Path program, which pays enhanced rates to practices that are providing some of the additional Medicaid services required for NCQA PCMH recognition. In order to qualify for Glide Path, a practice must demonstrate that it has begun providing a more advanced standard of primary care and has committed to achieving NCQA PCMH recognition in a set period of time. Glide Path practices must also comply with all additional written department requirements, including participation in various primary care initiatives operated by the State.

Beginning January 1, 2012, PCMH and Glide Path practices may be eligible for a rate add-on to the procedure codes on the physician fee schedule identified below. PCMH practices may also be eligible for retrospective annualized supplemental payments for performance incentives and performance improvement. Independent physician-led Glide Path practices with five or fewer full-time equivalent practitioners across all practice locations may also be eligible for a supplemental payment at each Glide Path phase.

(a) Glide Path and PCMH Rate Add-On: The department will pay a rate add-on for the following procedures in addition to the amounts listed for each procedure code on the physician fee schedule: 99201, 99202, 99203, 99204, 99205, 99211, 99212, 99213, 99214, 99215, 99304, 99305, 99306, 99307, 99308, 99309, 99310, 99315, 99316, 99318, 99324, 99325, 99326, 99327, 99328, 99334, 99335, 99336, 99337, 99339, 99341, 99342, 99343, 99344, 99345, 99347, 99348, 99349, 99350, 99354, 99355, 99381, 99382, 99383, 99384, 99385, 99386, 99387, 99391, 99392, 99393, 99394, 99395, 99396, 99397, 99401, 99402, 99403, 99404, 99406, 99407, 99408, 99409, 99411, 99412, 99374, 99377, 99379, 99380, 96110, 99050, 99051, 99053, D0145,

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Approval Date ____

Effective Date 09/07/2015

TN# <u>14-012 A (SPA 15-044, SPA 15-039, SPA 15-020, 15-017, SPA 15-015, SPA 15-011, and SPA 15-001 touch this same page)</u>

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- (6) Medical care or any other type of remedial care recognized under State law, furnished by licensed practitioners within the scope of their practice as defined by State law. Fixed fee methodologies are summarized below.
 - (a) Podiatrists Podiatrists 90% of physician fees as noted in (5) above. The current fee schedule was set as of September 7, 2015 and is effective for services provided on or after that date. The fee schedule can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download." All governmental and private providers are reimbursed according to the same fee schedule.
 - (b) Optometrists 90% of physician fees as noted in (5) above. The current fee schedule was set as of September 7, 2015 and is effective for services provided on or after that date. The fee schedule can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download." All governmental and private providers are reimbursed according to the same fee schedule.
 - (c) Chiropractors 100% of physician fees as noted in (5) above. The current fee schedule was set as of January 1, 2012 and is effective for services provided on or after that date. The fee schedule for chiropractors can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download." All governmental and private providers are reimbursed according to the same fee schedule. Chiropractor services are paid only as EPSDT Special Services required by Section 1905(r)(5) of the Social Security Act.
 - (d) Other licensed practitioners
 - (a) Psychologists The current fee schedule was set as of January 1, 2015 and is effective for services provided on or after that date. The fee schedule for psychologists can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider," then to "Provider Fee Schedule Download." All governmental and private providers are reimbursed according to the same fee schedule.

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- (ii) Naturopaths The current fee schedule was set as of September 1, 2012 and is effective for services provided on or after that date. The fee schedule for naturopaths can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page go to "Provider," then to "Provider Fee Schedule Download." Rates are the same for private and governmental providers and are published at www.ctdssmap.com.
- (iii) Nurse practitioners 90% of physician fees as referenced in (5) above, except for physician-administered drugs and supplies, which are reimbursed at 100% of the physician fees. The current fee schedule was set as of September 7, 2015 and is effective for services provided on or after that date. The fee schedule for physicians can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page go to "Provider," then to "Provider Fee Schedule Download." Rates are the same for private and governmental providers and are published at www.ctdssmap.com.

Nurse practitioner groups and individual nurse practitioners are eligible to participate in the Person-Centered Medical Home (PCMH) initiative detailed in (5) above under Physician's Services. Nurse practitioner services within PCMH practices run by nurse practitioners are authorized by Section 1905(a)(6) (services by other licensed practitioners). Nurse practitioners working in a physician group or a solo physician practice are eligible to participate in the PCMH initiative as part of the physician group or solo physician practice under the Physician's Services section of the State Plan.

(iv) Dental Hygienists - 90% of the department's fees for dentists. The fee schedule for dentists can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page go to "Provider," then to "Provider Fee Schedule Download." The agency's rates were set as of April 1, 2008 and are effective for services on or after that date. Rates are the same for private and governmental providers and are published at www.ctdssmap.com.

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- (v) Licensed behavioral health practitioners to include licensed clinical social workers, licensed marital and family therapists, licensed professional counselors, and licensed alcohol and drug counselors not to exceed 75% of the Medicare physician fee schedule. The fee schedule for licensed behavioral health practitioners can be accessed and downloaded by going to the Connecticut Medical Assistance Program website:

 www.ctdssmap.com. From this web page go to "Provider," then to "Provider Fee Schedule Download." The agency's rates were set as of January 1, 2015 and are effective for services on or after that date. Rates are the same for private and governmental providers and are published at www.ctdssmap.com.
- (vi) Physician assistants 90% of the department's fees for physicians, except for physician-administered drugs and supplies, which are reimbursed at 100% of the physician fees. The fee schedule for physicians can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page go to "Provider," then to "Provider Fee Schedule Download." The agency's rates were set as of September 7, 2015 and are effective for services on or after that date. Rates are the same for private and governmental providers and are published at www.ctdssmap.com.

Physician assistants working in a physician group or a solo physician practice are eligible to participate in the Person-Centered Medical Home (PCMH) initiative detailed in (5) above under Physician's Services as part of the physician group or solo physician practice under the Physician's Services section of the State Plan in Section (5) above.

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- (17) Nurse-mid wife services are paid off of the physician fee schedule at 90% of physician fees, except for physician-administered drugs and supplies, which are reimbursed at 100% of the physician fees.
 - The agency's physician fee schedule was set as of September 7, 2015 and is effective for services provided on or after that date, except that fees may be deleted or added and priced in order to remain compliant with HIPAA. The physician fee schedule can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page go to "Provider Services" then to "Fee Schedule Download". All governmental and private providers are reimbursed according to the same fee schedule.
- (18) The Medicaid Hospice rates are set prospectively by CMS based on the methodology used in setting Medicare Hospice rates, which are adjusted to disregard the cost offsets attributable to Medicare coinsurance amounts. Hospice payment rates are also adjusted for regional differences in wages, using indices published in the Federal Register and daily Medicaid hospice payment rates announced through CMS's memorandum titled "Annual Change in Medicaid Hospice Payment Rates—ACTION". The hospice fee schedule can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider" then to "Provider Fee Schedule Download". All governmental and private providers are reimbursed according to the same fee schedule. For clients living in a nursing facility, the per diem nursing facility rate will equal 95% of the rate for that nursing home under the Medicaid program.

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(21) Pediatric and family nurse practitioners – are paid off of the physician fee schedule at 90% of physician fees, except for physician-administered drugs and supplies, which are reimbursed at 100% of the physician fees. The agency's physician fee schedule was set as of September 7, 2015 and is effective for services provided on or after that date, except that fees may be deleted or added and priced in order to remain compliant with HIPAA. The physician fee schedule can be accessed and downloaded by going to the Connecticut Medical Assistance Program website: www.ctdssmap.com. From this web page, go to "Provider" then to "Provider Fee Schedule Download". All governmental and private providers are reimbursed according to the same fee schedule.

Pediatric and family nurse practitioner groups and individual pediatric and family nurse practitioners are eligible to participate in the Person-Centered Medical Home (PCMH) initiative detailed in (5) above under Physician's Services. Pediatric and family nurse practitioner services within PCMH practices run by pediatric and family nurse practitioners are authorized by Section 1905(a)(21) (services by certified pediatric and family nurse practitioners). Pediatric and family nurse practitioners working in a physician group or a solo physician practice are eligible to participate in the PCMH initiative as part of the physician group or solo physician practice under the Physician's Services section of the State Plan.